

Line 20 - Physical Therapy

Enter in Column 1, the salaries and wages of physical therapists, nurses, technicians, attendants, clerical personnel and any other employees assigned to this center. In Column 2, enter non-salary costs, including fees paid for outside therapy service, and supplies such as sponges, powder, and rubber sheets.

Line 21 - Occupational Therapy

Enter in Columns 1 and 2, salaries and wages, and non-salary costs of those personnel directly providing occupational therapy services. If, however, this service is not large in volume and is part of the work of some other unit (e.g. social service), the expense should be included with that unit.

Line 22 - Speech Therapy

Enter in Column 1, the salaries and wages of speech therapists, technicians, assistants, clerical personnel and any other employees assigned to the center. In Column 2, enter non-salary costs of those employees directly providing speech therapy services.

Line 23 - EKG and EEG

Enter in Column 1, the salaries and wages of nurses, technicians, clerks and other personnel assigned to provide electrocardiology and electroencephalographic services. In Column 2, enter the non-salary costs of the EKG and EEG center.

Line 24 - Radiology

Enter in Column 1, the salaries and wages of physicians, technicians, nurses, attendants, clerks and other personnel who are directly involved in providing diagnostic and therapeutic radiological services. In Column 2, enter non-salary costs including items such as films, chemicals, gloves, goggles, barium sulfate, and X-ray tubes.

INSTITUTIONAL PROGRAM COST CENTERS

Institutional programs are designed to provide every patient with comprehensive care and instruction in each developmental stage of life, skilled nursing and special care when needed, and education according to individual ability.

Line 27 - Intermediate Care Facilities for the Mentally Retarded - Certified

Enter in Column 1, the salaries and wages of those staff providing direct care to residents in facilities which have been certified by the Division of Medical Assistance and Health Services as providers of Intermediate Care Facility Services for the Mentally Retarded (ICF/MR). Such staff would include head cottage training supervisors, cottage training supervisors, cottage training

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technicians, and human services assistants and other direct care attendants. If any non-salary expenditures on behalf of the ICF/MR cottages can be identified, their total should be entered in Column 2. Schedule A-3, Details of Intermediate Care Facilities for the Mentally Retarded, should be completed to provide the support for the Intermediate Care Facilities for the Mentally Retarded cost center.

#### Line 28 - Skilled Nursing Facilities - Certified

Enter in Column 1, the salaries and wages of those staff providing direct care to residents in facilities which have been certified by the New Jersey Department of Health as providers of Skilled Nursing Facilities (SNF) services. Such staff would include nurses, nursing aides, attendants, orderlies, and any other direct care staff assigned permanently to the SNF unit. In Column 2, enter any other non-salary expenditures directly applicable to the Skilled Nursing Facility. Example of such items include incontinency pads, bandages, dressings, compresses, sponges, plasters, tapes, cellu-cotton, or disposable items (e.g., colostomy bags, chuxs), also hot water bags, thermometers, catheters, rubber gloves, and supplies required in the administering of medications, including disposable syringes.

#### Line 29 - Other Residential Care Facilities

Enter in Column 1, the salaries and wages of those staff providing direct care to residents in facilities which have not been certified by the New Jersey Department of Health as providers of either Skilled Nursing Facility services or Intermediate Care Facility for the Mentally Retarded services. Such staff would include, but would not be limited to, head cottage training supervisors, cottage training supervisor, cottage training technicians, human service assistants, nurses, nursing aides, attendants and orderlies.

If there are any non-salary expenditures applicable directly to these facilities, they should be identified and entered in Column 2.

#### Line 30 - Education

Enter in Column 1, the salaries and wages of all staff assigned to the institution's education department.

If there are any directly identifiable non-salary expenditures, these expenditures should be reported in Column 2.

#### Line 35 - Unallowable Cost Activities

Enter in Column 1, the salaries and wages of employees assigned to Unallowable Cost Activities from Schedule A-4. In Column 2, enter the non-salary costs directly identifiable to these activities from schedule A-4.

#### Total

Enter the total salaries and wages, and non-salary expenditures of the institution by adding each column.

SCHEDULE A-1 - SCHEDULE OF DEPRECIATIONColumn 1 - Date of Acquisition

Enter the date the asset or group of assets were acquired by the provider.

Column 2 - Cost Basis

Enter the original cost or basis less salvage value for each asset or group of assets being depreciated. The department will limit the increase in capital-related reimbursement associated with the sale or transfer of real property, if the facility was previously used for a Department of Human Services program, and the owner was reimbursed for depreciation expense. (See Section 3.5, Item 6)

Column 3 - Depreciation Allowed in Prior Years

Enter in this column the amount of accumulated depreciation for each asset or group of assets from the time of its acquisition.

Column 4 - Depreciation Method

In this column indicate the method of depreciation being used to depreciate each asset or group of assets (i.e. Straight Line, Sum of the Years Digits, Double Declining Balance, etc.).

Column 5 - Useful Life

In this column report the estimated useful life assigned to each asset or group of assets.

Column 6 - Depreciation This Period

In this column enter the amount of depreciation being claimed for each asset or group of assets during the cost reporting period.

Column 7 - Interest on Capital Debt

Enter in this column the amount of interest paid, during the reporting period, on loans and mortgages used to finance the acquisition of the assets reported on this schedule. Report other types of allowable interest in the Administrative and General cost center, Schedule A-2.

Column 8 - Total Depreciation and Interest

Enter in the column the sum of columns 6 & 7 to report the total amount of Depreciation and Interest being claimed on this report. Enter the amount of depreciation and interest for building and fixtures and movable equipment on Schedule A.

SCHEDULE A-2 - DETAILS OF ADMINISTRATIVE AND GENERAL

Enter on this schedule all salaries and wages and other costs pertaining to the Provider's Administrative and General function. This schedule will provide the supporting details for the amounts reported in the Administrative and General cost center on Schedule A. Transfer the totals for each category from Schedule A-2 to the Administrative and General cost center on Schedule A (Line 4).

SCHEDULE A-3 - DETAILS OF INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED

Enter on this schedule all salaries and wages and other costs, directly identifiable to the ICF/MR program. This schedule will provide the supporting detail for the amounts reported in the ICF/MR cost center on Schedule A. Transfer the total of each category from Schedule A-3 to the ICF/MR cost center on Schedule A (Line 27).

SCHEDULE A-4 - UNALLOWABLE COST ACTIVITIES

Enter on this schedule all salaries and wages and other costs for those activities, which are not reimbursable under the Medicare cost principles. For additional information regarding unallowable cost activities, refer to Section 3.6. This schedule will provide the supporting detail for the amounts reported in the Unallowable Cost Activity cost center on Schedule A. Transfer the totals for each category from Schedule A-4 to the Unallowable Cost Activity cost center on Schedule A (Line 35).

SCHEDULE A-5 - DETAILS OF APPLICABLE CREDITS

Report on this schedule all receipts or negative expenditures which offset or reduce allocable costs. This schedule will provide the supporting details for the amounts reported as adjustments and credits in Columns 6 and 7 of Schedule A. Items reported on to Schedule A-5 should be cross referenced to Schedule A under the note reference column provided.

Receipts from third-party resources may be included on this schedule or reflected as a credit on Schedule C (Line 8). (Refer to Section 3.2)

Schedules B AND B-1 - COST ALLOCATION - General Service and Ancillary Service  
Costs and Statistical Bases

Proper cost allocation techniques require that the distribution (statistical) base used to allocate items or groupings of costs is one which is best suited for assigning the costs to the cost objective (e.g. contract, program, activity) in accord with the relative benefits derived. There must be a traceable cause and effect relationship or a logical and reasonable relationship between the distribution base and the costs being allocated. The costs must be distributed to each applicable project in an equitable manner.

In order to operate the Step-Down Method effectively, it is necessary to complete Schedules B and B-1 simultaneously.

On Schedule B, in the column headed Total Direct Expenses for Apportionment, transfer the amounts reported on Schedule A, Column 10, to the corresponding cost centers on Schedule B.

Enter the appropriate statistical data on Schedule B-1, Lines 6 through 45 and Columns 1 through 27. Each column heading on Schedule B-1 contains the suggested statistical base for allocating cost within each cost center contained on Schedule B. While alternate statistical bases may be acceptable, the alternate bases must receive prior approval from the Bureau of Rate Setting.

Next compute the total of the statistical data, reported on Schedule B-1, for each column. Enter the total on line 46 of each column.

Enter on Schedule B-1, Line 47, Column 1, the amount reported on Schedule B, Line 2, in the Total Direct Expenses for Apportionment Column. On Schedule B-1, divide the amount reported on Line 47, Column 1, by the total statistic reported on Schedule B-1, Line 46, Column 1. Enter the result of this calculation on Schedule B-1, Line 48, Column 1, (Unit Cost Multiplier).

Apply the Unit Cost Multiplier to the statistics reported on Schedule B-1, Lines 6 through 45, Column 1. Record the results of this application on Schedule B, Lines 6 through 45, Column 2. Compute the total of Schedule B, Column 2, to ensure that all costs have been allocated to the various cost centers. Continue to follow this procedure for the remaining lines and columns on Schedules B and B-1.

To determine the cost to be apportioned for Columns 6 through 28 on Schedule B, add the total direct expenses to be apportioned to the costs allocated to each cost center in the preceding columns(s).

Upon completion of Schedules B and B-1, all General Service and Ancillary Service Cost Centers must be zeroed out. The costs reported in these cost centers will have been allocated to the Program Cost Centers. Total each program cost center on Schedule B and enter the total on the appropriate line in Column 29. The total of Column 29, Schedule B, and the total of the Total Direct Expenses for Appointment Column on Schedule B must be the same.



SCHEDULE C - CALCULATION OF ICF/MR PER DIEM RATE

Transfer the amount reported on Schedule B, Column 29, Line 34, (Intermediate Care Facilities for the Mentally Retarded), to Line 1 of Schedule C. For institutions that do not direct charge physician costs to the ICF/MR Program Cost Center, calculate the ICF/MR physician per diem by completing lines 2 through 6. Total physician costs entered on line 2 should be divided by total in-residence days. (Exclusive of leave days).

For cost reporting purposes, "in-residence days" is defined as the number of days that residents are physically present in the facility at the time of the daily census count. "ICF/MR in-residence days" is defined as the number of days that residents (1) are physically present in the institution at the time of the daily census count, (2) are in ICF/MR certified beds, and (3) are provided ICF/MR level of care.

Calculate the ICF/MR per diem rate by dividing the total ICF/MR costs including recoveries on line 9 by the ICF/MR resident days inclusive of leave days on line 10. For cost reporting purposes, "ICF/MR resident days" is defined as the number of days that an ICF/MR resident is physically present in the institution (as defined above) and the number of days the resident is out of the institution on approved temporary visit.

SCHEDULE D - RELATED ORGANIZATIONS

Report on this schedule purchases from related organizations. This includes costs of services, facilities, and supplies furnished by organizations related to the provider by common ownership or control. These costs must not exceed the lower of the cost to the organization or the price of comparable services, facilities, or supplies purchased elsewhere. If there are no related organizations insert "NONE" under the first column of Schedule D.